

City of Reading
City Council
Work Session
Monday, April 21, 2008

Council Members Present

Vaughn Spencer, President
Stephen Fuhs, District 1
Marcia Goodman-Hinnershitz, District 2
Dennis Sterner, District 3
Stratton Marmarou, District 4
Maria Baez, District 5
Jeff Waltman, District 6

Others Present

R. Hottenstein
L. Kelleher
C. Younger

Call to Order

President of Council Vaughn Spencer called the work session to order at 7:05 pm.

Managing Director's Report

Mr. Hottenstein reviewed the managing director's report distributed to Council at the meeting covering the following:

- Events associated with the local observance of National Crime Victim's Rights Week
- Report on the kick-off of the Pagoda Centennial Celebration
- National Day of Prayer event scheduled for Thursday, May 1

Stadium Commission Report

Steve Harrity, President and Greg Geiger, Secretary of the Stadium Commission gave an update on the activities of the Stadium Commission over the past year. They noted the need to find a new member to replace Jim Pollack who passed away last year. They stated that the Commission would like to find a female to replace Mr. Pollack. Mr. Harrity

noted the reorganization of officers. Mr. Geiger described the activities of the Stadium Commission and the role they play as liaison between the Reading Phillies organization and the City of Reading.

Mr. Harrity stated that the Stadium Commission has approximately \$2,400 in their account. He stated that each year the Reading Phillies organization makes a project request that utilizes the City's annual \$5,000 allocation. He stated that this fall the Stadium Commission will be requesting an increase in the annual allocation. Ms. Kelleher suggested that the Stadium Commission submit their request in late spring so the allocation can be considered as the budget process begins.

Mr. Marmarou stated that the Stadium Commission acts as goodwill ambassadors for the Reading Phillies. He thanked the Stadium Commission for the excellent job they do.

Mr. Waltman suggested that the Stadium Commission and Reading Phillies undertake a project to allow underprivileged kids to attend a few Reading Phillies games during the season.

Status of Reprogrammed CDBG Funds

Mr. Hottenstein distributed a memorandum from Steve Lingle of Triad Associates on funding adjustments which will leave approximately \$1 million available to commit for new or existing activities. Allocation should only be made to projects that are ready to move forward.

Ms. Goodman-Hinnershitz suggested allocating some of this available money to the Orange and Cherry park project.

Mr. Fuhs questioned the need to reallocate funds budgeted for Economic Development, Community Policing, RAFT, NEAR, Abilities in Motion, and National Housing Services Homeownership Assistance. He questioned if problems in using the allocated funds is caused by a reduction in City staff. Mr. Fuhs and Mr. Waltman both noted the reduction in some line items will increase the amount available to commit.

Mr. Waltman noted the breakdown in identifying money available through IDIS. He requested that the Administration prepare a timeline and spending plan for the money available to recommit after consulting with Council. He noted that Council has identified two or three community projects that could be accomplished during the 2008 fiscal year.

Mr. Fuhs reminded the Administration that Council needs to approve the amendments to the CDBG allocations. He noted the Administration's previous commitment to provide funding for the Blighted Property Review Committee has changed. He inquired if some of these available monies could be allocated to undertake redevelopment activities. Mr. Hottenstein stated that CDBG money cannot be used for property acquisition.

Mr. Spencer inquired who has been overseeing the Community Development Department since Mr. Mukerji is now employed by the Redevelopment Authority. Mr. Hottenstein stated that the Managing Director's office is overseeing Community Development activities until a new Community Development Director is hired. He stated that candidates for this position have been made aware of the need for City residency. He stated that those applying have a variety of experience in years of service and foundation (community development and planning).

Mr. Spencer inquired if the Administration is considering funding a mid-level management position to assist the Community Development Director as suggested by Triad.

Mr. Sterner suggested that the Administration review the capital improvement program and move appropriate items over under CDBG funding.

Ms. Goodman-Hinnershitz suggested seeking the assistance of a consultant until a Community Development Director is on board and up to speed.

Mr. Fuhs inquired about the City's search for a new Managing Director. Mr. Hottenstein replied that the position has been advertised and a few resumes have been received. The Administration is currently reviewing the applications received and considering an interview schedule.

Mr. Fuhs expressed concern for the Administration's lack of urgency to fill this position.

Mr. Spencer questioned who is overseeing the City's Section 108 loans. Mr. Hottenstein stated that the Redevelopment Authority Director is expected to handle the City's 108 loans. The Accounting Department and the CD fiscal officer will manage the 108 portfolio.

Mr. Spencer inquired if a conflict will be created by using the Redevelopment Authority Director to handle these 108 loans. Mr. Younger

replied that the Redevelopment Authority's Director will be able to handle the old 108 loans but cannot handle new 108 loans. Mr. Hottenstein stated that the Administration will be seeking advice from the Redevelopment Authority Director.

Berkshire Bottling Update

Mr. Hottenstein reported that an inspection was conducted to address the concerns expressed by Olivet's/PAL. The inspection findings showed that this construction project has not caused any structural deficiencies to the Olivet's/PAL area. The construction has only caused some deficiency to some fencing in the area. He stated that the five year DEP NNPS for run off will expire this year. He reported that the project currently under the Garden Harbor Corporation will continue.

Mr. Waltman inquired if the agreement with the previous owners will apply to the new owners. He noted the need for the City to play a role in the most optimal parcel use in economic development projects. He also noted the need for Council to have some say in policy issues such as traffic concerns.

Mr. Fuhs inquired if bankruptcy of the original company caused the project's transfer to a new owner.

Mr. Sterner and Mr. Fuhs inquired if the new owner will need to consult with the City and/or the Planning Commission before restarting.

African American Museum Update

Mr. Hottenstein reported that the African American Museum is funded in the City capital improvement plan. The Administration has asked this group to submit a business plan. The County Commissioners stated that they will not allocate any funding towards the project until a business plan is obtained. These needs have been expressed to Mr. Gilyard who is the lead person for the museum project.

Mr. Spencer noted the unkempt promises made by a variety of parties.

LRA Naval Marine Center

Mr. Spencer explained that the County's withdrawal from the LRA process has provided the City with the ability to make application to the Department of Defense to be named the successor organization. He

explained that by receiving the LRA designation the City can then exert some control over the future use of this parcel located in the 18th Ward.

Ms. Goodman-Hinnershitz and Mr. Waltman noted the need for the County and City solicitors and City Clerk to work together to define the LRA's mission and role.

Ms. Kelleher reported that the Department of Defense has received the County and City letters requesting that the City be named as successor to the LRA. She called Council's attention to the attached documents which provide an overview on the establishment of the LRA and LRA organizational principles provided by Mr. Gontz, sample letters and legislation establishing the LRA, guidebook on military base reuse and homeless assistance and the Base Closure Community Redevelopment and Homeless Assistance Act. She explained that after receiving the LRA designation the City will need to adopt legislation that creates the LRA and designates its members. She stated that the LRA can either be advisory or empowered to make policy decisions. Local government may designate itself as the LRA or select a group representing a cross section of public and private leadership. She noted that it is important to choose dedicated individuals who know how to get a job done quickly and have the community's best interests at heart. She also noted the need to select individuals who do not have personal agendas or conflicts of interest.

Mr. Fuhs noted his surprise at the County's withdrawal from the LRA as without it the City will lose control over the reuse of the parcel. He explained that without the LRA, the Department of Defense could transfer the parcel to HUD or sell it on the open market. He noted the need for all City parties to avoid taking sides without those who have expressed a desire to obtain the parcel.

Mr. Sterner inquired if the LRA has the final decision about the reuse of the parcel. Ms. Kelleher and Mr. Younger explained that the LRA can be advisory leaving the final decision to City Council. However, in both instances, either the LRA or Council will be submitting the final redevelopment plan recommendation to the Department of Defense and HUD.

Mr. Younger questioned Council's ability to participate in the LRA due to the Charter's language in the Boards, Authorities, and Commissions section. Ms. Kelleher noted that Council, the Mayor and other City employees participate on other Boards, Authorities, and Commissions where directed to do so by the enabling legislation.

Ms. Goodman-Hinnershitz noted the need to define the terms homeless and shelter.

Ms. Baez noted the need to approach this process very carefully.

Mr. Marmarou noted that over 90% of the current homeless agencies are located within the City's boundaries.

In addition, Mr. Waltman noted the existence of the two housing projects and Opportunity House to further support the homeless.

Mr. Hottenstein noted the need to follow stringent rules and avoid showing preference to any organization.

Mr. Fuhs questioned the Mayor's impartiality and reminded all of the Mayor's recent request to tour the Naval Marine facility with Berks Women in Crisis. He also reminded all of the Mayor's visit to Dr. Chapman with Berks Women in Crisis requesting an 80/20 split of the parcel. He asked Mr. Hottenstein to speak with the Mayor about the changing his behavior.

Mr. Spencer agreed that the reuse of this parcel needs to be handled jointly by the Mayor and City Council with no party cowboying off in a way that creates a conflict. He noted the importance of this process and requested that Mr. Hottenstein speak with the Mayor about the need to work together to find the best reuse for the parcel.

Ms. Baez moved, seconded by Mr. Marmarou, to adjourn the work session.

Respectfully submitted by,

Linda A. Kelleher, City Clerk